



MINUTES
Committee of the Whole
Monday, August 22, 2016 @ 5:30 p.m.
City Council Chambers

CALL TO ORDER

The meeting was called to order at 5:30 p.m.

PRESENT

Councilmember Brown Clarke
Councilmember Jessica Yorko- arrived at 5:32 p.m.
Councilmember Patricia Spitzley
Councilmember Adam Hussain
Councilmember Kathie Dunbar-arrived at 5:34 p.m.
Councilmember Carol Wood
Councilmember Jody Washington
Councilmember Tina Houghton – arrived at 5:34 p.m.

OTHERS PRESENT

Jason Manshum, Enbridge
Loretta Stanaway
Sharon Burton
Ryan Smith
Vicki Hamilton- Allen, Habitat for Humanity
Dena Vatelaro, Habitat for Humanity
Sheli Page
Lynn Hershbergerhefferan
Art Hasbrook
Dale Schrader
Dick Peffley, BWL General Manager
Heather Shawa-DeCook, BWL Financial Officer
David Price, LBWL
Steve Serkanian, LBWL

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM AUGUST 8, 2016 AS PRESENTED. MOTION CARRIED 5-0.

Public Comment

No public comment.

Council Member Brown Clarke amended the agenda to reschedule any action on 6 A) to the August 29th, 2016 meeting, and amending 6 B) to no action, but a presentation and placement on file.

Presentations

ENBRIDGE (Jason Manshum-Mgr. Community Relations US Public Affairs)

Council Member Brown Clarke referenced the handout from Mr. Manshum and clarified her invitation to him allowing his presentation after the earlier presentation from Clean Water Action.

Mr. Manshum outlined the business of Enbridge which provides crude oil pipelines in the state. The original Line 5 runs through Wisconsin, the Straits, Port Huron, St. Clair and then it meets up with another pipeline. Prior to Line 5, crude oil was shipped on a barge. Line 5 was designed because of a need by the State, and was deemed a safer and efficient route. Over the years there has become a more public interest in infrastructure, and more recently a discussion and need on safety and reliability. Mr. Manshum spoke in support of the pipeline as the safest way to move crude oil. Line 5 is monitored and maintained 24/7, whether in the ground or crossing the straits and this includes measuring the pressure; psi, flow rates, etc. If there is every an abnormality, the pipeline is shut down immediately, and there is an inspection immediately.

Mr. Smiertka stepped away from the meeting at 5:40 p.m.

During any inspections they search waterways, divers monitor how the pipe line is behaving. because Line 5 fills a tremendous need. Through the technology Enbridge has, they believe to be safe and reliable.

Mr. Smiertka returned to the meeting at 5:41 p.m.

Mr. Manshum concluded by assuring the Committee that Enbridge has been a great community member for 6 decades, and they will continue to be. Line 5 has experts to monitor it 24/7.

Council Member Spitzley asked Mr. Manshum to speak on the circumstances in the delay that identified the leak in the Kalamazoo River, which Clean Water stated 17 hours before Enbridge shut down the pipe line. Mr. Manshum recapped the 2010 incident and confirmed this incident did make Enbridge re-evaluate this process, and since that time Enbridge implemented changes in the control center, are working with communities, have response centers and deploy assistance. Mr. Manshum went on to outline what occurred in Marshall which included the line started 3 times, and those leaks came from the 3 starts. The result that they learned was that if ever a drop in pressure then close that section immediately until it is determined what and why. The team will arrive on site to determine the cause and release before restarting the line. Enbridge is trying to take the potential of human error out of the situations. Council Member Spitzley referenced information that was provided by Clean Water that stated Enbridge is operating under an easement, admitted to violating the easement, and so could be terminated. The question was then, what was the consequence of the violation of the easement. Mr. Manshum confirmed that easement is a 4.5 mile stretch in the Straits and an easement with the State. This was established in 1953 at which time it placed the line on the bottom of the water bed, over time because of currents and sediment it moves. Enbridge knows the line is safe at 140 ft, but with the easement it is 75 ft safe. In 2002 Enbridge changed the technology by putting in 10'+ long screws on both sides and saddled to support with support bands. Once it hits the 75' mark, it triggers. In 2014 Enbridge inspected form movement from 2012, which triggers a MDEQ permit. In 2014 Enbridge went in and added

supports that complete what is in compliance with the easement. Every time they add supports due to sediment, they get permits from MDEQ. Council Member Brown Clarke asked what the screws are attached to since it appeared they re-stabilize every two years. Mr. Manshum noted the screws are augured 10' into the earth to keep the line in place. Council Member Dunbar referenced information from Clean Water that said the US Pipeline Hazard Administration issued 28 violations against Enbridge. Mr. Manshum noted that the US Pipeline is the Federal regulator for all pipelines in the United States, but he was not aware of what stats Clean Water was referencing. The incident in Kalamazoo did have fines, and they did receive an agreement with the Department of Justice adding safety on all pipelines. Council Member Dunbar cited a report from Clean Water that noted there were 24 known defects in line 5, and only 12% have been inspected. Mr. Manshum again could not say where Clean Water got their information, but line 5 in its entirety, is inspected inside out and more frequently than required. The Federal requirements stated inspections every 5 years, but Enbridge does testing every year. When they find a potential issue they send divers and expose that section, to see if that matches what the computers are showing. Council Member Dunbar then asked if line 5 was shut down, what route would they use. Mr. Manshum informed the Committee that the State has formed a task force to review the options and they have made 14 recommendations. Four of them are specific to line 5 in the Straits. This has now created an advisory board that is tasked with vetting the recommendations, with a goal of a process in a couple years. One recommendation asked of them is what the alternatives are for Line 5. The advisory board has hired a 3rd party to look at potential alternatives and are there other means to move the crude oil without the pipeline. Those options include back to the barge system, using the railways or distribute by trucks. An alternative would be to build a new line adjacent to line 5 or another one in another State or Country and get the crude oil there another way. Lastly an alternative is to stay at status quo, keeping line 5 in its current state. Mr. Manshum and Enbridge hope for a recommendation by next summer. Council Member Wood asked for a comparison to other pipelines in the country. Mr. Manshum stated no two alike, because a lot depends on the topography, type of steel, type of exterior coating, and type of product. The pipelines from the line 5 era have a different coating, and testing on line 5 shows that if they remove the coating, there is new steel. It is based on holding up overtime. Council Member Wood asked if there is any line older than 65 years old. Mr. Manshum confirmed there is, and most will cross water at some time. The majority of water crossings are bored under water, but in the Straits the depth is 250' so not an option. The only other comparison would be the pipe line in the Gulf of Mexico which is 2,000 ft depth. Council Member Wood asked where inspections are logged. Mr. Manshum stated that in addition to logging them with Enbridge they have a Federal regulator. Any repairs are decisions based on Enbridge and the Federal regulator. Mr. Manshum added that the State also gets inspections of line 5, but not required. Council Member Wood asked for how much was paid in fines in the last five years, which Mr. Manshum could not provide, and was asked to provide to Council in the future. Council President Brown Clarke asked where the findings of the advisory board and task force will be presented. Mr. Manshum answered that they are due to the Governor's office.

Council Member Spitzley asked Mr. Manshum to provide information on who was the Chair of the Task Force he mentioned. Ms. Manshum clarified that it was co-chair by the DEQ and the Director of the Department of Energy. Other members are representatives from the Attorney General Office, a Citizens Advisory group that consists of 2 citizens, a ferry owner from the Straits, an attorney and representative from the wildlife federation.

Council Member Brown Clarke asked for details on a website that the public can follow for the progress. Mr. Manshum referred to the enbridge.com site, and the State of Michigan site that had its own page for the task force.

Council Member Dunbar asked what funding was used for the Task Force, and what Enbridge's commitment to the results of the Task Force were. Mr. Manshum acknowledged they have worked with the State for 2-3 years, regardless of what comes out. Their goal is to provide energy in a safe and reliable way. Enbridge will look at the findings and why the determination and those conversations have been going on with the State, MDEQ and Governors office.

Council Member Wood referenced a list of 55 communities that Clean Water Action has stated sent letters to the State asking for line 5 to be shut down, and asked if Mr. Manshum was aware. Enbridge is asking the communities to allow Enbridge to follow the process of the task force and advisory board, with 3rd party telling them what the best way to move forward. Line 5 has been operating safely for 62+ years, and Mr. Manshum and Enbridge is asking the communities to trust the process already underway.

Council Member Hussain asked for contact information for the Clean Water Action representative and Mr. Manshum for the future.

Council Member Houghton asked if there is a spill is there a way to shut off a section. Mr. Manshum said that if there is an issue, the system cannot be over rode, they isolate the valves, review the topography and variables. Council Member Houghton asked how many shuts downs have occurred on line 5 in the last 5 years. Mr. Manshum could not provide specific numbers for the entire system. They do make sure with any notice of potential they error on the side of caution. There are no shut offs in the water for line 5, but one at each shore of the Straits. The pressure of the water greater than the pressure in the pipe, and designed to be in that location.

Council Member Yorke stated she had no issues with line 5, but had heard there was a spill in Crystal falls. Mr. Manshum confirmed there has not been and oil release or repairs in the Straits.

Discussion/Action:

LBWL Capital Improvements Plan for FY 2017-2022

Ms. Shawa-DeCook referred the Committee to the report on the Capital Projects Summary for their six year forecast. They are projecting the projects to come in under \$372 million for the six years and under \$61 million for FY 2017. The biggest goals are the Eckert Facility replacement and T & D. The T & D does include \$125 million in the plan to maintain the infrastructure. Lastly it was noted that the BWL Board already approved the Plan on July 26, 2016.

Council Member Washington stepped away from the meeting at 6:26 p.m.

Mr. DeLine referenced the previous year presentation which had difference projections for 2017 in operations, which went from \$5 million to \$10 million. Ms. Shawa-DeCook stated there were no delays, 2016 was spent on the procurement, so they delayed \$2.5 million till 2017. BWL wanted to do the appropriate due diligence. Another item in that line breakdown would include the main frame system for customer billing.

Council Member Washington returned to the meeting at 6:28 p.m.

The document was received and placed on file.

DISCUSSION – Scott House Sunken Garden

Ms. Stanaway, Ms. Burton, Mr. Smith and Mr. Schrader distributed handouts to the Committee. Council President Brown Clarke outlined the request for their presence to provide them an opportunity to speak on the project so the Committee would have balanced

presentations. The group represents Cherry Hill, Lansing Garden Club and Preservation Lansing.

Ms. Burton spoke in support of keeping the park, and gave an outline on the details of the location of the Scott and Cooley gardens. Ms. Burton wanted it known that the Garden Club was not asked to maintain the new garden, but were told, and if it is moved they will not agree to take care of a new garden. Other items of Ms. Burton's concern were that the green house they propose for moving the plants to be not large enough to keep the plants alive. The group has suggestions for BWL to make the park an asset and education park, restore house by preservation investors, put the substation in an industrial zoned area, and lastly pleaded for the Council to deny the Special Land Use. Council Member Hussain noted that in the beginning the Committee was told that the Garden Club was in support of the idea. Ms. Burton denied that statement, stating they weren't and in good faith it would be a good thing. She did admit that the City is not taking care of it now, but if Council kept it the way it is, this group will form a group called Friends of Scott Park to maintain it.

Ms. Stanaway spoke her opinion that the project circumvents the Charter and violation of the intention of the Charter requiring a public vote. She continued to state her understanding that there is no method that speaks to an undedicated park land, and again stated her belief that only process is for the public to vote. Ms. Stanaway then spoke on surrounding residential areas, and her opinion the project does not the SLU requirements. Ms. Stanaway reported to the Committee that based on a conversation she had with REO Town representatives, they were told there would be an urban garden, however that is no longer depicted. There are amenities not needed or wanted. Her belief was stated in a letter she submitted to the Committee and summarized that BWL is making statements that are not desirable. Her final statement was that Preservation Lansing was not in support, the Garden Club is not in support, and her understanding is that Reo Town is questionable on their support.

Council President Brown Clarke amended the agenda to move the Closed Session for the Active Litigation Update to be moved to the next agenda.

Mr. Schrader spoke in opposition to the plan because of his understanding that it does not fit into the area. After a brief history of the site, he referenced an earlier letter from the State Preservation office noting if it is moved it is not historic, the garden is historic. Mr. Schrader pointed out to the Committee his opinion that the area was not donated but Scott was sold to General Motors.

Mr. Smith spoke about alternative sites, the impact on the rate payers, and encouraged placement on the Diamond Reo site, and not REO TOWN development.

Council Member Spitzley stepped away from the meeting at 7:10 p.m.

Mr. Smith asked for an advisory committee be created, and BWL to be looked at as a corporate entity not a City department.

Council Member Spitzley returned to the meeting at 7:11 p.m.

Mr. Smith pleaded with the Committee to advocate for more conversations, and hold discussions with GM to do their substation with the City.

Council President Brown Clarke informed the public that BWL will have a presentation at the Council meeting during their SLU required public hearing. At that time there will be an opportunity for answers and to clarify the questions that were just brought forward.

Council Member Washington acknowledged the attendance from Preservation Lansing and Garden Club, and stated her belief the discussions should have started 2 years earlier. Council Member Wood asked if they had met with BWL on alternative sites. Mr. Smith stated they had, and Mr. Schrader stated that BWL to them did not appear to be concerned when they met with them. Council Member Washington confirmed she had also met with BWL on the Diamond Reo site, and was waiting on the numbers. Council President Brown Clarke affirmed those number should be presented at the public hearing during the Council meeting. Council Member Dunbar asked what the increase on the bills for the residents will be. Mr. Smith stated his group used the 2014 BWL numbers which showed their revenue, with residential, industrial, and commercial assuming each customer used the same amount. This was \$.60, and they are being told the overall project would be \$7 million for the Diamond Reo site. Council Member Hussain asked Mr. Schrader where the cost of \$100,000 to move the house came from and if it was a discussion with BWL and Preservation Lansing. Mr. Schrader stated he was not sure, but in the early conversations it was discussed and they would maybe pay \$100,000 to move it, but no one ever agreed with it. Mr. Schrader stated again the house is not historic, and his opinion was that it was not smart to move the house.

ADJOURN

The meeting was adjourned at 7:17 p.m.

Respectfully Submitted by,

Brian Jackson

Deputy City Clerk, Lansing City Council

Approved by the Committee on September 12, 2016